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FM AMEMBASSY SAN JOSE  
TO RUEHC/SECSTATE WASHDC 1325  
INFO RUEAIIA/CIA WASHINGTON DC  
RUCPDO/DEPT OF COMMERCE WASHINGTON DC  
RHMCSUU/FBI WASHINGTON DC  
RUEKJCS/SECDEF WASHDC

UNCLAS SAN JOSE 000895

SIPDIS

DEPT FOR PM/DTCC - BLUE LANTERN COORDINATOR

E.O. 12958: N/A  
TAGS: [ETTC](#) [KOMC](#) [CS](#)  
SUBJECT: BLUE LANTERN LEVEL 3: POST-LICENSE/PRE-SHIPMENT  
END-USE CHECK ON LICENSES 050134369, 050175886, 050175888,  
050175889

REF: A. STATE 83456  
[1](#)B. ANDREW/BALLARD EMAIL 16 OCT 09

[1](#)1. Per Ref A request, on September 8, we met with Randall Gazel of El Hispano gunshop in San Jose, and established the bona fides of the company. As a result of this check, we consider El Hispano a legitimate recipient of United States Munition List (USML) items. Gazel is familiar with the regulations governing the import of U.S.-origin defense articles as well as the International Traffic in Arms Regulation, regarding restrictions on re-transfer or re-export. According to Gazel, the last inspection by Post's political office for a Blue Lantern check was in 2000, although in 2007 Post's Foreign Commercial Service conducted a routine inspection.

[1](#)2. El Hispano has been in business for over 60 years and has no negative comments/infractions from the Ministry of Public Security (MPS), the GOCR's official government body with oversight authority on gun dealerships. MPS certified to us that El Hispano has met all of their requirements for importing firearms. MPS renews their license annually.

[1](#)3. Other than firearms and ammunition, El Hispano also sells outdoors equipment as well as self-defense products such as Tazers and pepper spray. Their regular customers are mostly private citizens residing in Costa Rica. Purchasers must comply with the following in order to buy firearms:

- Criminal background check;
- Undergo psychological testing;
- Certificate of approval of safe gun handling; and
- Registration of the firearm's serial number with the Office of Arms and Explosives of MPS.

Around 10 percent of their sales are to private security companies or government institutions. The government institutions normally purchase .40 and .45 caliber pistols as well as .357 magnum.

[1](#)4. El Hispano does not import weapons for any other local gunshops, however, they do distribute their products to subsidiary shops located throughout the country. These shops are in Liberia (Coyote Liberiano), Alajuela (Deportes Huracan), and Perez Zeledon (Armeria Chacon). The weapons purchased from the licenses listed in the subject line will be available for purchase to both private Costa Rican citizens and government institutions.

[1](#)5. Gazel provided us with sales records from 2007-2009 (Ref

B), which includes sales for license 050134369. None of these firearms were re-exported to end-users outside of Costa Rica. El Hispano has never re-exported U.S.-origin firearms or other U.S.-origin defense articles to end-users outside of Costa Rica. Gazel estimated that El Hispano's annual sales of U.S.-origin firearms is \$300,000 to \$400,000.

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COMMENT  
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¶6. Gazel was very familiar with the firearms business and clearly wanted to cooperate with us. They are aware of problems that other gunshops in Costa Rica have had with U.S. licenses, particularly Armeria Rex (a gunshop that has been found to be an unreliable user of USML in the past). Their paperwork seemed to be organized and accurate. Security at the San Jose store seemed good; armored vaults are used to store weapons and they have a camera and alarm system in place.

BRENNAN